

STROZ FRIEDBERG, LLC

SEP 14 2007

FEDERAL EXPRESS

September 13, 2007

Honorable Thomas C. Platt
United States District Judge
United States Courthouse
610 Federal Plaza
Central Islip, NY 11722-4454

United States v. Varsha M. and Mahender M. Sabhnani (Cr 07-429) (TCP) Report of Monitor (# 3)

Dear Judge Platt:

Pursuant to your Order Setting Conditions of Release ("The Order"), dated August 21, 2007, and the protocols referenced in The Order, dated July 23, 2007, I provide my report on the monitoring of the Sabhnani's, for the week of September 5, 2007 through September 11, 2007.

Executive Summary

Stroz Friedberg Investigations, a division of Stroz Friedberg, LLC, (hereafter referred to as "SFLLC"), monitored the in-home detention of the defendants, and their four children, on a "24/7" basis, beginning at the time of their release on August 21, 2007. During this reporting period, SFLLC monitors transported the defendants for medical treatment and to a court hearing.

SFLLC did not observe or detect violations of The Order or protocols, during the monitoring for the week ending September 11, 2007.

Monitoring

SFLLC employed three armed monitors for the in-home detention of the Sabhnani's. SFLLC's monitors prepared daily logs of activity, which are available upon request. I summarize below the activity reflected in these logs.

- A) SFLLC monitored and recorded all telephone conversations made to or from the line dedicated for this purpose, except for conversations between the defendants and their counsel or members of the defense teams.
- B) SFLLC monitored and review all facsimile traffic made to or from the line dedicated for this purpose.

- C) SFLLC monitored and recorded all Internet traffic made through the single connection dedicated for this purpose.
- D) SFLLC issued two mobile telephones to those Sabhnani children with medical conditions that necessitate access to emergency services when not in the residence. SFLLC monitored the use of these two mobile telephones.
- E) SFLLC monitored all incoming and outgoing mail and deliveries.
- F) SFLLC monitored the financial activity of the defendants and their children, including but not limited to a review of credit card and bank account activity for the personal accounts of the defendants and their children, and the business accounts of the defendants. SFLLC reviewed disbursements by the defendants under \$10,000. In addition, SFLLC worked closely with the staff of Adams & Becker, CPA, the financial monitor appointed by The Court, to ensure that the defendants comply with The Order. Specifically,
 - i) During this reporting period, SFLLC forwarded requests to Adams & Becker for approval for the defendants to make business related disbursements in excess of \$10,000.
- G) SFLLC searched the Sabhnani's children whenever they entered the residence.
- H) SFLLC performed daily searches of the residence and vehicles.
- I) SFLLC monitors transported,
 - i) The defendants to medical appointments on Wednesday, September 5, 2007; and
 - ii) The defendants and their oldest daughter to a court hearing at the United States District Courthouse, Central Islip, on Monday, September 10, 2007.
- J) SFLLC notes the following visitors or activity at the Sabhnani residence:
 - i) Various visits by an SFLLC contractor to repair wiring for digital security cameras.
 - ii) Alarm company to repair short in security system.
 - iii) A barber for Mr. Sabhnani.
 - iv) Defense counsel.
 - v) Representative of Bank of America.
 - vi) DHS ICE agents to review logs.

Please contact me at 212.766.6001, if you have any questions.

Very truly yours,

A. P. Valenti
Anthony P. Valenti
Vice President



Cc:

Mark J. Lesko, Esq.
Assistant United States Attorney
United States Attorney's Office
United States Courthouse
610 Federal Plaza
Central Islip, NY 11722-4454

Stephen P. Scaring, Esq.
Scaring & Brissenden, P.C.
666 Old Country Road
Garden City, NY 11530

Jeff C. Hoffman, Esq.
Hoffman & Pollok
260 Madison Avenue
22nd Floor
New York, NY 10016